

THE BUSH BUDGET: Not Credible



**The Democratic Policy Committee
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THE BUSH BUDGET: Not Credible

In March 2001, President George W. Bush assured the American people that the country could cut taxes without fear of running a deficit. “The country can proceed with tax relief without fear of budget deficits,” he said, “*even if the economy falters.*” With this promise, the President garnered enough support in Congress to push through his massive tax cuts. In February 2004, the President’s own budget proposal revealed the truth: the Bush Administration’s irresponsible fiscal policy **has turned a \$5.6 trillion surplus into nearly \$3 trillion in deficits over the next 10 years – an \$8 trillion dollar swing!** Voodoo economics, indeed!

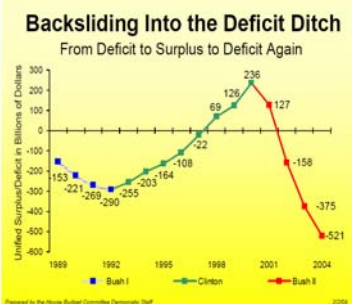



Record budget deficits are only the beginning of the gap between rhetoric and reality in the Bush Administration’s budget for 2005. A closer look at the Bush budget reveals that the President has a habit of saying one thing and doing the other. From jobs and the economy, to education and health care – even with seniors and veterans – the Bush budget is chock full of new examples of the President’s credibility problem:

- In June 2001, the President said, “We should try to make it easier for people to find good jobs by giving them the education and training they need to succeed.” But in his budget, the President cut nearly 24 percent of funding from vocational education training programs, employment service state grants, and state grants for reemployment services.
- In April 2002, President Bush said, “Today, I pledge my [A]dministration's support in working with parents and families, Head Start and child care centers, and our states to achieve this goal: Every child who goes to school, every single child, must be ready to learn.” Despite his pledge, this year the Bush budget effectively *freezes* enrollment for Head Start programs, even though Federal estimates from 2002 show that Head Start served only about 60 percent of the millions of children eligible for its services.
- In January 2004, President Bush said, “I’m a big proponent of what’s called community health centers that operate primary care services in rural and under-served urban areas.” But the President’s 2005 budget cuts the Community Access Program (CAP) by more than \$90 million. CAP funds are used to coordinate health care services offered by community health centers and certain hospitals that serve a disproportionate share of the uninsured.
- In January 2004, the President held a press conference at the Port of Charlotte, pledging, “We are taking unprecedented steps to protect the homeland. In the 2005 budget, as the Secretary mentioned, we proposed increases in homeland security spending.” But the President’s budget actually cuts port security grants by more than 60 percent compared to the 2004 enacted level.



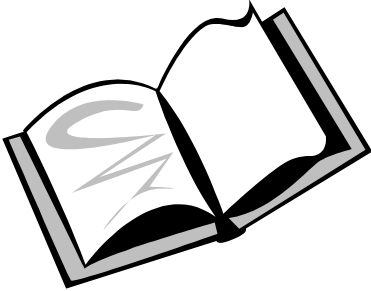

The Bush budget demonstrates the incredible credibility gap between rhetoric and reality in the Bush Administration. And talk is a cheap substitute for action when it comes to doing something about the 2.9 million private sector jobs lost during the Bush Administration, the nearly 44 million Americans without health insurance, and the millions of school children left behind, many of whom live every day in poverty.

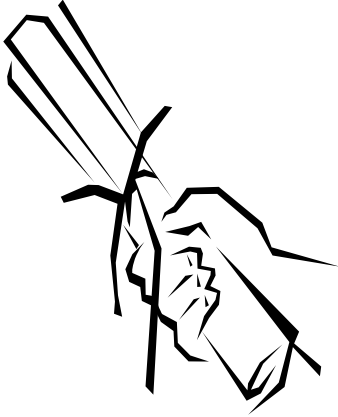
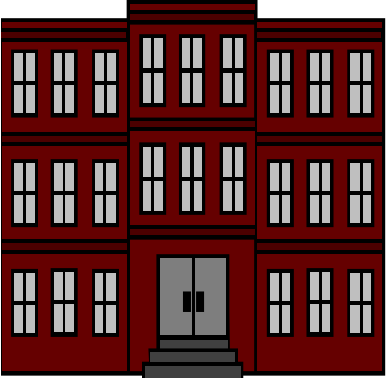

On the following pages, this report details 21 examples of Bush’s proclivity toward saying one thing and doing another.

ECONOMY & JOBS





	Rhetoric	Reality
	<p><i>George Bush Says</i></p> <p>“The country can proceed with tax relief without fear of budget deficits, even if the economy softens.” [3/27/01]</p>	<p><i>But...</i></p> <p>The Bush Administration has turned a ten-year, \$5.6 trillion surplus into a ten-year, nearly \$3 trillion <u>deficit</u>. And this year, the President has forecasted a record \$521 billion deficit. Though the President has claimed that he will cut the deficit in half by 2009, the budget he submitted to Congress purports to achieve this goal by leaving out \$160 billion in costs that the Administration plans to include in future budgets. [House Budget Committee - Democrats, Analysis of the President's Budget, Revised 2/5/04, House Democratic Leader Nancy Pelosi]</p>
	<p><i>George Bush Says</i></p> <p>"[Employers are] not looking for just the average worker, they're looking for a trained worker. And so, therefore, job training programs are essential." [11/7/03]</p>	<p><i>But...</i></p> <p>The Bush budget cut nearly 24 percent of funding from vocational education training programs and makes \$151 million in cuts to four other job training programs – including adult training, dislocated worker activities, employment service state grants, and grants for states for reemployment services. And the President's much touted community college program won't even cover the cuts he's made in other job training programs. [House Budget Committee - Democrats, www.ourfuture.org]</p>
	<p><i>George Bush Says</i></p> <p>“Industrial production began dropping last October, and almost every week brings us reports of layoffs, especially in manufacturing. ... The trend is clear, and the need for action is urgent.” [3/27/01]</p>	<p><i>But...</i></p> <p>The Bush budget continues proposed cuts to the Manufacturing Extension Partnership (MEP), which provides consulting and information services to assist small businesses in their efforts to develop advanced manufacturing tools. In 2004, the Bush budget provides only \$39 million for MEP, compared to the \$106 million the program received in 2003, although the manufacturing sector has continued to lose jobs throughout the Bush Administration. [House Budget Committee - Democrats]</p>
	<p><i>George Bush Says</i></p> <p>“People who work hard and save for the future deserve every protection we can give them.” [8/7/02]</p>	<p><i>But...</i></p> <p>The Bush budget cuts \$310 billion over 10 years from the Pension Benefit Guaranty Corporation (PBGC), which guarantees pensions for retirees whose companies fail. Today, the PBGC has a <u>deficit</u> of nearly \$11.2 billion today -- compared to a nearly \$10 billion <u>surplus</u> in 2000, leaving the retirement security of millions of employees in peril. [About PBGC, pbjc03rep, www.gao.gov, http://www.ourfuture.org/doc]</p>

EDUCATION

	Rhetoric	Reality
	<p><i>George Bush Says</i></p> <p>“Today, I pledge my administration's support in working with parents and families, Head Start and child care centers, and our states to achieve this goal: Every child who goes to school, every single child, must be ready to learn.” [4/2/02]</p>	<p><i>But...</i></p> <p>The Bush budget effectively freezes enrollment for Head Start programs at \$6.9 billion for Head Start, just \$98 million (1.4 percent) above the amount needed to maintain purchasing power at the 2004 level. Currently, about 40 percent of children eligible for Head Start are not served by it. Thus, freezing Head Start funding falls far short of the President's goal to reach every child in need. [http://www.house.gov/budget_democrats/analyses/long_summary3.pdf]</p>
	<p><i>George Bush Says</i></p> <p>“We are willing to spend more for education and we will spend it on what works.” [1/9/02]</p>	<p><i>But...</i></p> <p>Since signing the No Child Left Behind (NCLB) Act into law, President Bush has provided \$27 billion less in funding for the historic reforms than he had promised to provide. The Bush budget <u>eliminates</u> almost 40 different education programs, including tens of millions of dollars dedicated to improving teacher training, as well as other programs praised by First Lady Laura Bush. [housedembudget]</p>
	<p><i>George Bush Says</i></p> <p>“Making sure every child learns to read and making sure every child is educated is the number one domestic priority of this country. It is essential we get it right.” [1/5/04]</p>	<p><i>But...</i></p> <p>The Bush budget cuts \$8 million from reading programs at the Department of Education compared to this year's enacted levels, and it <u>eliminates</u> the \$247 million Even Start family literacy program. [www.house.gov/budgetary]</p>
	<p><i>George Bush Says</i></p> <p>“We've got to focus on math and science.” [4/12/04]</p>	<p><i>But...</i></p> <p>The Bush budget cuts \$59 million from the Math and Science Partnership program at the National Science Foundation (NSF) and eliminates the Eisenhower Math and Science Consortia program – a program that works to improve math and science education throughout the nation. [www.house.gov/budgetary]</p>

	Rhetoric	Reality
	<p><i>George Bush Says</i></p> <p>“Pell grants are very important for the future of this country.” [6/17/03]</p> <p>"I am going to ask Congress to bolster the first year aid...to five thousand one hundred dollars per recipient of the Pell Grant." [8/30/00]</p>	<p><i>But...</i></p> <p>President Bush pledged to make college more affordable and accessible by increasing the maximum Pell Grant for college freshmen to \$5,100, but he has yet to even request a \$5,100 Pell Grant award. In fact, Bush has broken his pledge for the third year in a row by freezing the maximum Pell Grant at \$4,050, just as millions of students struggle to pay for college, and despite the fact that the 2002-03 maximum Pell grant was worth \$500 less than the maximum grant in 1975-76. Moreover, last year the Bush Administration made revisions to the information used to determine financial aid eligibility that would have eliminated Pell Grants for 84,000 students, and reduced college aid to thousands more students. Fortunately, a Democratic amendment to the 2004 Education Appropriations bill reversed the Bush cuts, restoring Pell Grants and key college aid to students.</p>
	<p><i>George Bush Says</i></p> <p>“The question I like to ask every child I visit in the classroom is, ‘Are you going to college?’ In this great country, we expect every child, regardless of how he or she is raised, to go to college.” [8/15/01]</p>	<p><i>But...</i></p> <p>The Bush budget cuts the low-interest-rate-guaranteed Perkins Loan program by nearly \$100 million below the 2004 enacted level. That leaves the program 60 percent short of the amount needed to maintain its current purchasing power. [www.house.gov/budgetary, 2/11/2004 Press Release]</p>
	<p><i>George Bush Says</i></p> <p>“Research shows that after-school tutoring programs can do a lot for student achievement ... And so, what I want people to understand around the country is that ... that which is now available under the No Child Left Behind Act.” [9/8/03]</p>	<p><i>But...</i></p> <p>The Bush budget puts a freeze on spending for after-school programs – effectively cutting 1.3 million children from the program. [http://www.ourfuture.org/doc]</p>


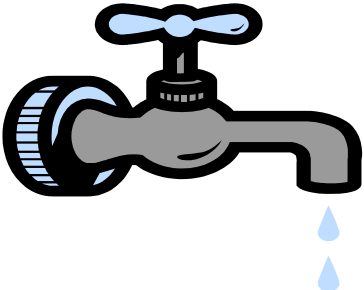
HEALTH CARE

	Rhetoric	Reality
	<i>George Bush Says</i> “My job as the President is to submit a budget to the Congress and to set priorities, and one of the priorities ... is making sure the health care systems are funded.” [3/01/01]	<i>But...</i> The President’s budget under-funds appropriated health care programs – falling \$1.0 billion short of the amount CBO estimates is needed to maintain purchasing power for these health programs for next year and nearly \$15 billion short for the next five years. [www.house.gov/budgetary]
	<i>George Bush Says</i> “One of the ways to help make sure health care functions better is to help people who can’t afford health care to have access to health care ... And so I’m a big proponent of what’s called community health centers.” [1/28/04]	<i>But...</i> The Bush budget cuts the Community Access Program (CAP) by more than \$90 million. CAP funds are used to coordinate health care services offered by community health centers, as well as certain hospitals that serve a disproportionate share of the uninsured. [www.house.gov/budgetary]
	<i>George Bush Says</i> “When we make decisions, we want to make sure we do so on sound science, not what sounds good, but what is real.” [2/14/02]	<i>But...</i> The Bush budget <u>doubles</u> funding for abstinence-only programs at schools, despite ample evidence that abstinence-only programs don’t work. The Bush Administration even <i>altered</i> a scientific study of abstinence-only at the Centers for Disease Control (CDC) to influence the results. The Administration has also reportedly forced the CDC to end its “Programs that Work” project because the project failed to find abstinence-only programs effective. [http://www.dhhs.gov/budget] , Washington Post, 4/24/02, Scientific Integrity in Policymaking
	<i>George Bush Says</i> “The budget I submitted earlier this year commits an additional \$400 billion over 10 years to implement this vision of a stronger Medicare.” [11/13/03]	<i>But...</i> The Bush 2005 budget reveals that the new Medicare bill will actually cost \$534 billion over the next decade – \$134 billion more than the president had promised just three months earlier. [Bush Defends Medicare Budget Estimate (washingtonpost.com)]

HOMELAND SECURITY & THE WAR IN IRAQ

	Rhetoric	Reality
	<p><i>George Bush Says</i></p> <p>“I’ve got a strong commitment to not only the firefighters but the first responders.” [8/16/02]</p>	<p><i>But...</i></p> <p>The Bush budget actually <u>cuts</u> funding for the Department of Homeland Security by almost fifteen percent, or \$3.8 billion, compared to the amount enacted for 2004 – including a 30 percent cut for firefighters. The Bush budget also cuts the Community Oriented Policing Services (COPS) grants by nearly 90 percent below the amount needed to maintain purchasing power at the 2004 level. [www.house.gov/budgetary]</p>
	<p><i>George Bush Says</i></p> <p>“And we are taking unprecedented steps to protect the homeland. In the 2005 budget ... I’ve come to this vital seaport, to remind people ... that we have a solemn duty to protect our homeland, including the seaports of America.” [2/5/04]</p>	<p><i>But...</i></p> <p>The Bush budget cuts port security grants by more than 60 percent compared to the 2004 enacted level. [www.house.gov/budgetary]</p>
	<p><i>George Bush Says</i></p> <p>“Our veterans from every era are the finest of citizens. We owe them the life we know today. They command the respect of the American people, and they have our everlasting gratitude.” [11/11/02]</p>	<p><i>But...</i></p> <p>The President’s budget under-funds veterans’ appropriated programs, which are primarily health care programs, by more than \$250 million next year and more than \$13 billion over the next five years. The Bush budget also imposes a <u>health care enrollment fee</u> and <u>pharmacy co-payments</u> for some veterans. Finally, the Bush budget does nothing to address the Social Security “tax” on widows of veterans. [www.house.gov/budgetary]</p>
	<p><i>George Bush Says</i></p> <p>“In two weeks, I will send you a budget that funds the war.” [1/20/04]</p>	<p><i>But...</i></p> <p>The President’s budget includes <u>no</u> money for funding ongoing operations in Iraq and Afghanistan, which according to media reports could be as high as \$50 billion. The Administration refused to include any funds because, they asserted, they were not sure of the total cost. [National Journal, 2/23/04]</p>

ENVIRONMENT

	Rhetoric	Reality
	<p><i>George Bush Says</i></p> <p>“We’ve got money in our budget to fully fund the Land and Water Conservation Fund for the first time.” [4/24/01]</p>	<p><i>But...</i></p> <p>A close look at the President’s budget reveals that he is only providing one-third of the necessary money to fully fund the Land and Water Conservation Fund (LWCF), which supports the purchase of park land. <u>The Bush budget actually diverts dedicated funding away from LWCF, leaving only \$314 of the \$900 million he claims to have provided for the LWCF.</u> [www.house.gov/budgetary]</p>
	<p><i>George Bush Says</i></p> <p>“We have a duty in our country to make sure our land is preserved, our air is clean, <u>our water is pure</u>, our parks are accessible and open and well preserved.” [4/22/02]</p>	<p><i>But...</i></p> <p>The Bush budget cuts \$500 million from the Clean Water State Revolving Funds (SRF), which provide funding for improvements in wastewater treatment facilities compared to the 2004 enacted level. The President’s budget effectively freezes funding for the Drinking Water SRF. <u>Overall, the President’s budget cuts nearly \$2.5 billion from environmental and public health protection programs.</u> [www.house.gov/budgetary]</p>